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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/750,001	12/29/2000	Scott M. Frank	00-428/60027.5200USU1	6605
82866 7590 02/01/2010 AT&T Legal Department - HBH Attn: Patent Docketing One AT&T Way Room 2A-207 Bedminster, NJ 07921				
EXAMINER				
OUELLETTE, JONATHAN P				
ART UNIT		PAPER NUMBER		
3629				
MAIL DATE		DELIVERY MODE		
02/01/2010		PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary**Application No.**

09/750,001

Applicant(s)

FRANK ET AL.

Examiner

Jonathan Ouellette

Art Unit

3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 11 November 2009.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 86-103 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 86-103 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____
- Paper No(s)/Mail Date _____

DETAILED ACTION

Response to Amendment

1. Claims 1-85 and 104-109 have been cancelled; therefore Claims 86-103 are currently pending in application 09/750,001.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. **Claims 98-103 are rejected under 35 U.S.C. 101 because the independent claims fails to meet the machine-or-transformation test, and therefore, fails to satisfy § 101 requirements.**
4. The machine-or-transformation test is a two-branched inquiry; an applicant may show that a process claim satisfies § 101 either by showing that his claim is tied to a particular machine, or by showing that his claim transforms an article. See Benson, 409 U.S. at 70. Certain considerations are applicable to analysis under either branch. First, as illustrated by Benson and discussed below, the use of a specific machine or transformation of an article must impose meaningful limits on the claim's scope to impart patent-eligibility. See Benson, 409 U.S. at 71-72. Second, the involvement of the machine or transformation in the claimed process must not merely be insignificant extra-solution activity (i.e. saving data in a database and displaying data from a database). See Flook, 437 U.S. at 590.

5. Therefore, because the applicable test to determine whether a claim is drawn to a patent-eligible process under § 101 is the machine-or-transformation test set forth by the Supreme Court and clarified herein, and independent Claim 98 plainly fails that test, the claims are rejected.
6. The Examiner suggests that the Applicant indicate that any automated processing steps are done by a computer (automatically, by a computer,... - for example).
7. Claims 99-103 depend from Claim 98 and do not cure the deficiencies set forth above. Therefore, Claims 99-103 are also rejected as being directed to non-statutory subject matter.
8. **Claims 86-91 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claim 6 is attempting to patent computer data.**
9. First, the claimed data is clearly not a "process" under § 101 because it is not a series of steps. The other three § 101 classes of machine, compositions of matter and manufactures "relate to structural entities and can be grouped as 'product' claims in order to contrast them with process claims." 1 D. Chisum, Patents § 1.02 (1994). The three product classes have traditionally required physical structure or material (such as: "to be used on a computer").
10. "The term machine includes every mechanical device or combination of mechanical device or combination of mechanical powers and devices to perform some function and produce a certain effect or result." *Coming v. Burden*, 56 U.S. (15 How.) 252, 267 (1854). A modern definition of machine would no doubt include electronic devices which perform functions. Indeed, devices such as flip-flops and computers are referred to in computer science as sequential machines. The claimed data has no physical structure, does not *itself* perform any useful, concrete and tangible result and, thus, does not fit within the definition of a machine.

11. A "composition of matter" "covers all compositions of two or more substances and includes all composite articles, whether they be results of chemical union, or of mechanical mixture, or whether they be gases, fluids, powders or solids." *Shell Development Co. v. Watson*, 149 F. Supp. 279, 280, 113 USPQ 265, 266 (D.D.C. 1957), *aff'd*, 252 F.2d 861, 116 USPQ 428 (D.C. Cir. 1958). The claimed data is not matter, but a form of energy, and therefore is not a composition of matter.
12. The Supreme Court has read the term "manufacture" in accordance with its dictionary definition to mean "the production of articles for use from raw or prepared materials by giving to these materials new forms, qualities, properties, or combinations, whether by hand-labor or by machinery." *Diamond v. Chakrabarty*, 447 U.S. 303, 308, 206 USPQ 193, 196-97 (1980) (quoting *American Fruit Growers, Inc. v. Brogdex Co.*, 283 U.S. 1, 11, 8 USPQ 131, 133 (1931), which, in turn, quotes the *Century Dictionary*). Other courts have applied similar definitions. See *American Disappearing Bed Co. v. Arnaelsteen*, 182 F. 324, 325 (9th Cir. 1910), *cert. denied*, 220 U.S. 622 (1911). These definitions require physical substance, which the claimed data does not have. Congress can be presumed to be aware of an administrative or judicial interpretation of a statute and to adopt that interpretation when it re-enacts a statute without change. *Lorillard v. Pons*, 434 U.S. 575, 580 (1978). Thus, Congress must be presumed to have been aware of the interpretation of manufacture in *American Fruit Growers* when it passed the 1952 Patent Act.
13. A manufacture is also defined as the residual class of a product. 1 Chisum, § 1.02[3] (citing *W. Robinson, The Law of Patents for Useful Inventions* 270 (1890)). A product is a tangible physical article or object, some form of matter, which data is not. That the other two product

classes, machine and composition of matter, require physical matter is evidence that a manufacture was also intended to require physical matter. Data does not fall within either of the two definitions of manufacture. Thus, data does not fall within one of the four statutory classes of § 101.

14. The Examiner suggests that the Applicant indicate in the preamble, that the medium is used on a computer, and causes the computer to complete the following: (for example).

Claim Rejections - 35 USC § 103

16. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

- (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

- 17. Claims 86-103 are rejected under 35 U.S.C. 103 as being unpatentable over Hunter (US 6,298,327) in view of Eggleston et al. (US 6,061,660).**

18. As per **independent Claims 86, 92, and 98**, Hunter discloses a computer-readable medium containing a program for use with a computer (apparatus, method) for tracking innovations as part of a system for managing protection and licensing of intellectual property assets (abstract, Fig.2, Fig.8), the program comprising: receiving intellectual property asset protection data (inventive disclosure, C2-C5), wherein the intellectual property asset protection data includes protection data corresponding to a plurality of intellectual property assets owned by the organization, wherein each intellectual property asset is defined and

maintained as an asset by the existence of legally-enforceable intellectual property protection rights pertaining to that intellectual property asset (C8 L1-11, inventive disclosure, inventive identity, established date of invention or conception), wherein the intellectual property asset protection data further includes data related to a plurality of innovation disclosures, each innovation disclosure associated with one of a plurality of innovators for the organization (system tracks multiple inventions from multiple inventors); determining participation data for each of a plurality of innovator classes (C3 L53-67, invention categorized with specific technology group); and storing the intellectual property asset protection data in an intellectual property asset protection database including a plurality of intellectual property asset protection data records (C2-C5, Fig.2, database).

19. While Hunter does disclose tracking innovations, inventors, and inventor related information (C11 L48-57, C18 Table 3), Hunter fails to expressly disclose receiving disclosure gift information associated with each innovation disclosure of the plurality of innovation disclosures, wherein the disclosure gift information includes information regarding disclosure gifts purchased by the organization from outside the organization and stocked by the organization for being given to the plurality of innovators for the organization; responsive to receiving the disclosure gift information associated with each innovation disclosure of the plurality of innovation disclosures, and automatically updating an associated balance of the stocked disclosure gifts; tracking the disclosure gifts and gifts given to the plurality of innovators for at least one of intellectual property asset filings, intellectual property asset publications, and intellectual property asset issuances.

20. However, Eggleston discloses the creation of employee incentive programs, which include tracking/automated fulfillment of non-monetary reward distribution data (to employees for job related-activities) to include sponsor and award databases (Fig.20, C8 L13-20, C31 L25-67, C32 L1-20, C45-C46). Furthermore, Eggleston discloses utilizing an awards tracking database and inventory replenishment technology (C39-40).
21. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included receiving disclosure gift information associated with each innovation disclosure of the plurality of innovation disclosures, wherein the disclosure gift information includes information regarding disclosure gifts purchased by the organization from outside the organization and stocked by the organization for being given to the plurality of innovators for the organization; responsive to receiving the disclosure gift information associated with each innovation disclosure of the plurality of innovation disclosures, and automatically updating an associated balance of stocked disclosure gifts; tracking the disclosure gifts and gifts given to the plurality of innovators for at least one of intellectual property asset filings, intellectual property asset publications, and intellectual property asset issuances, as disclosed by Eggleston in the system disclosed by Hunter, for the advantage of providing a method for tracking innovations with the ability to increase effectiveness of the system by offering/tracking all facets of innovations submission process, to include compensating/awarding the innovation submitter. (See KSR [127 S Ct. at 1739] “The combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.”).

22. Finally, Hunter and Eggleston fail to expressly disclose wherein innovation disclosures are received from non-employee innovators.
23. However, Gabrick discloses receiving and tracking innovations from a variety of companies (equivalent to employee and non-employee innovators) (Para 0053-0056).
24. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included receiving innovation disclosures from non-employee innovators, as disclosed by Gabrick in the system disclosed by Eggleston, in the system disclosed by Hunter, for the advantage of providing a method for tracking innovations with the ability to increase effectiveness of the system by collecting innovations from a wide variety of sources. (See KSR [127 S Ct. at 1739] “The combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.”).
25. As per Claims 87, 93, and 99, Hunter discloses tracking and reporting costs associated with the purchase of disclosure gifts (C45-C46, sponsor and award database).
26. As per Claims 88, 94, and 100, Hunter and Gabrick discloses tracking and reporting information arranged by innovator for the organization and affiliates of the organization regarding all disclosure gifts sent to each innovator of the plurality of innovators for the organization and the affiliates of the organization (C45 L27-50, consumer/participant database; See rejection of independent claim).
27. As per Claims 89, 95, and 101, Hunter discloses automatically totaling numbers of disclosure gifts distributed within a time period (C45-C46, sponsor and award database information/ aggregation of information based on date).

28. As per Claims 90, 96, and 102, Hunter and Eggleston fail to expressly show wherein the plurality of innovator data, including employee/contractor status and a management /non-management status.
29. However these differences are only found in the nonfunctional descriptive data and are not functionally involved in the steps recited. The method for tracking innovation disclosures by an organization would be performed regardless of the type of innovator data stored. Thus, this descriptive data will not distinguish the claimed invention from the prior art in terms of patentability, *see In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).
30. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included a plurality of innovator data, to include: employee/contractor status and a management /non-management status, because such data does not functionally relate to the steps in the method claimed and because the subjective interpretation of the data does not patentably distinguish the claimed invention.
31. As per Claims 91, 97, and 103, while Hunter does disclose storing organization data associated with the innovator (Para0109, type of originator), Hunter fails to expressly show the organization data related to the innovator and including at least one of affiliate organization, company, division, and business unit.
32. However these differences are only found in the nonfunctional descriptive data and are not functionally involved in the steps recited. The method for tracking innovation disclosures by an organization would be performed regardless of the type of innovator descriptive data used. Thus, this descriptive data will not distinguish the claimed invention from the prior art in

terms of patentability, *see In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

33. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have included a innovator descriptive data (organization al date) to include: at least one of affiliate organization, company, division, and business unit, because such data does not functionally relate to the steps in the method claimed and because the subjective interpretation of the data does not patentably distinguish the claimed invention.

Response to Arguments

34. Applicant's arguments filed 11/11/2009 regarding Claims 86-103 have been considered, but are moot based on the new grounds of rejection.
35. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, THIS ACTION IS MADE FINAL. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).
36. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Conclusion

37. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jonathan Ouellette whose telephone number is (571) 272-6807. The examiner can normally be reached on Monday through Thursday, 8am - 5:00pm.
38. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (571) 272-6812. The fax phone numbers for the organization where this application or proceeding is assigned (703) 872-9306 for all official communications.
39. Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 306-5484.

January 29, 2010
/Jonathan Ouellette/
Primary Examiner, Art Unit 3629